

109TH CONGRESS
1ST SESSION

H. R. 1349

To amend title 40, United States Code, to provide a comprehensive regional approach to economic and infrastructure development in the most severely distressed regions in the Nation.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2005

Mr. OBERSTAR (for himself and Ms. NORTON) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 40, United States Code, to provide a comprehensive regional approach to economic and infrastructure development in the most severely distressed regions in the Nation.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Regional Economic
5 and Infrastructure Development Act of 2005”.

1 **SEC. 2. FINDINGS AND PURPOSES.**

2 (a) FINDINGS.—Congress finds that—

3 (1) between January 2001 and December 2004,
4 the number of unemployed workers in the United
5 States increased from 5,900,000 to 8,000,000, an
6 increase of more than 35 percent;

7 (2) people living in economically distressed, un-
8 derdeveloped regions are among the most affected by
9 the economic downturn;

10 (3) certain regions of the Nation, including Ap-
11 palachia, the Mississippi Delta Region, the Northern
12 Great Plains Region, the Southeast Crescent Region,
13 the Southwest Border Region, and rural Alaska,
14 have suffered from chronic distress far above the na-
15 tional average;

16 (4) an economically distressed region can suffer
17 unemployment and poverty at a rate that is 150 per-
18 cent of the national average; and

19 (5) regional commissions are unique Federal-
20 State partnerships that can provide targeted re-
21 sources to alleviate pervasive economic distress.

22 (b) PURPOSES.—The purposes of this Act are—

23 (1) to provide a comprehensive regional ap-
24 proach to economic and infrastructure development
25 in the most severely distressed regions in the Nation;
26 and

1 “(2) LOCAL DEVELOPMENT DISTRICT.—The
2 term ‘local development district’ means an entity
3 that—

4 “(A)(i) is an economic development district
5 that is—

6 “(I) in existence on the date of enact-
7 ment of this chapter; and

8 “(II) located in the region; or

9 “(ii) if an entity described in clause (i)
10 does not exist—

11 “(I) is organized and operated in a
12 manner that ensures broad-based commu-
13 nity participation and an effective oppor-
14 tunity for local officials, community lead-
15 ers, and the public to contribute to the de-
16 velopment and implementation of programs
17 in the region;

18 “(II) is governed by a policy board
19 with at least a simple majority of members
20 consisting of—

21 “(aa) elected officials; or

22 “(bb) designees or employees of a
23 general purpose unit of local govern-
24 ment that have been appointed to rep-

1 resent the unit of local government;
2 and

3 “(III) is certified by the Governor or
4 appropriate State officer as having a char-
5 ter or authority that includes the economic
6 development of counties, portions of coun-
7 ties, or other political subdivisions within
8 the region; and

9 “(B) has not, as certified by the Federal
10 Cochairperson—

11 “(i) inappropriately used Federal
12 grant funds from any Federal source; or

13 “(ii) appointed an officer who, during
14 the period in which another entity inappro-
15 priately used Federal grant funds from any
16 Federal source, was an officer of the other
17 entity.

18 “(3) FEDERAL GRANT PROGRAM.—The term
19 ‘Federal grant program’ means a Federal grant pro-
20 gram to provide assistance in carrying out economic
21 and community development activities.

22 “(4) INDIAN TRIBE.—The term “Indian tribe”
23 has the meaning given the term in section 4 of the
24 Indian Self-Determination and Education Assistance
25 Act (25 U.S.C. 450b).

1 “(5) NONPROFIT ENTITY.—The term ‘nonprofit
2 entity’ means any entity with tax-exempt or non-
3 profit status, as defined by the Internal Revenue
4 Service, that has been formed for the purpose of eco-
5 nomic development.

6 “(6) REGION.—The term ‘region’ means the
7 area covered by a Commission as described in sub-
8 chapter II of chapter 157.

9 **“CHAPTER 153—REGIONAL COMMISSIONS**

“Sec.

“15301. Establishment, membership, and employees.

“15302. Decisions.

“15303. Functions.

“15304. Administrative powers and expenses.

“15305. Meetings.

“15306. Personal financial interests.

“15307. Tribal representation on Northern Great Plains Regional Commission.

“15308. Tribal participation.

“15309. Annual report.

10 **“§ 15301. Establishment, membership, and employees**

11 “(a) ESTABLISHMENT.—There are established the
12 following regional Commissions:

13 “(1) The Delta Regional Commission.

14 “(2) The Northern Great Plains Regional Com-
15 mission.

16 “(3) The Southeast Crescent Regional Commis-
17 sion.

18 “(4) The Southwest Border Regional Commis-
19 sion.

20 “(b) MEMBERSHIP.—

1 “(1) FEDERAL AND STATE MEMBERS.—Each
2 Commission shall be composed of the following mem-
3 bers:

4 “(A) A Federal Cochairperson, to be ap-
5 pointed by the President, by and with the ad-
6 vice and consent of the Senate.

7 “(B) The Governor of each participating
8 State in the region of the Commission.

9 “(2) ALTERNATE MEMBERS.—

10 “(A) ALTERNATE FEDERAL COCHAIR-
11 PERSON.—The President shall appoint an alter-
12 nate Federal Cochairperson for each Commis-
13 sion. The alternate Federal Cochairperson,
14 when not actively serving as an alternate for
15 the Federal Cochairperson, shall perform such
16 functions and duties as are delegated by the
17 Federal Cochairperson.

18 “(B) STATE ALTERNATES.—The State
19 member of a participating State may have a
20 single alternate, who shall be appointed by the
21 Governor of the State from among the members
22 of the Governor’s cabinet or personal staff.

23 “(C) VOTING.—An alternate member shall
24 vote in the case of the absence, death, dis-
25 ability, removal, or resignation of the Federal

1 or State member for which the alternate mem-
2 ber is an alternate.

3 “(3) COCHAIRPERSONS.—A Commission shall
4 be headed by—

5 “(A) the Federal Cochairperson, who shall
6 serve as a liaison between the Federal Govern-
7 ment and the Commission; and

8 “(B) a State Cochairperson, who shall be
9 a Governor of a participating State in the re-
10 gion and shall be elected by the State members
11 for a term of not less than 1 year.

12 “(4) CONSECUTIVE TERMS.—A State member
13 may not be elected to serve as State Cochairperson
14 for more than 2 consecutive terms.

15 “(c) COMPENSATION.—

16 “(1) FEDERAL COCHAIRPERSONS.—Each Fed-
17 eral Cochairperson shall be compensated by the Fed-
18 eral Government at level III of the Executive Sched-
19 ule as set out in section 5314 of title 5.

20 “(2) ALTERNATE FEDERAL COCHAIR-
21 PERSONS.—Each Federal Cochairperson’s alternate
22 shall be compensated by the Federal Government at
23 level V of the Executive Schedule as set out in sec-
24 tion 5316 of title 5.

1 “(3) STATE MEMBERS AND ALTERNATES.—

2 Each State member and alternate shall be com-
3 pensated by the State that they represent at the rate
4 established by the laws of that State.

5 “(d) EXECUTIVE DIRECTOR AND STAFF.—

6 “(1) IN GENERAL.—A Commission shall ap-
7 point and fix the compensation of an executive direc-
8 tor and such other personnel as are necessary to en-
9 able the Commission to carry out its duties. Com-
10 pensation under this paragraph may not exceed the
11 maximum rate of basic pay established for the Sen-
12 ior Executive Service under section 5382 of title 5,
13 including any applicable locality-based comparability
14 payment that may be authorized under section
15 5304(h)(2)(C) of that title.

16 “(2) EXECUTIVE DIRECTOR.—The executive di-
17 rector shall be responsible for carrying out the ad-
18 ministrative duties of the Commission, directing the
19 Commission staff, and such other duties as the Com-
20 mission may assign.

21 “(e) NO FEDERAL EMPLOYEE STATUS.—No mem-
22 ber, alternate, officer, or employee of a Commission (other
23 than the Federal Cochairperson, the alternate Federal Co-
24 chairperson, staff of the Federal Cochairperson, and any

1 Federal employee detailed to the Commission) shall be
2 considered to a Federal employee for any purpose.

3 **“§ 15302. Decisions**

4 “(a) REQUIREMENTS FOR APPROVAL.—Except as
5 provided in section 15304(c)(3), decisions by the Commis-
6 sion shall require the affirmative vote of the Federal Co-
7 chairperson and a majority of the State members (exclu-
8 sive of members representing States delinquent under sec-
9 tion 15304(c)(3)(C)).

10 “(b) CONSULTATION.—In matters coming before the
11 Commission, the Federal Cochairperson shall, to the ex-
12 tent practicable, consult with the Federal departments and
13 agencies having an interest in the subject matter.

14 “(c) QUORUMS.—A Commission shall determine what
15 constitutes a quorum for Commission meetings; except
16 that—

17 “(1) any quorum shall include the Federal Co-
18 chairperson or the alternate Federal Cochairperson;
19 and

20 “(2) a State alternate member shall not be
21 counted toward the establishment of a quorum.

22 “(d) PROJECTS AND GRANT PROPOSALS.—The ap-
23 proval of project and grant proposals shall be a responsi-
24 bility of each Commission and shall be carried out in ac-
25 cordance with section 15503.

1 **“§ 15303. Functions**

2 “A Commission shall—

3 “(1) assess the needs and assets of its region
4 based on available research, demonstration projects,
5 investigations, assessments, and evaluations of the
6 region prepared by Federal, State, and local agen-
7 cies, universities, local development districts, and
8 other nonprofit groups;

9 “(2) develop, on a continuing basis, comprehen-
10 sive and coordinated economic and infrastructure de-
11 velopment strategies to establish priorities and ap-
12 prove grants for the economic development of its re-
13 gion, giving due consideration to other Federal,
14 State, and local planning and development activities
15 in the region;

16 “(3) not later than 1 year after the date of en-
17 actment of this section, and after taking into ac-
18 count State plans developed under section 15502, es-
19 tablish priorities in an economic and infrastructure
20 development plan for its region, including 5-year re-
21 gional outcome targets;

22 “(4)(A) enhance the capacity of, and provide
23 support for, local development districts in its region;
24 or

1 “(B) if no local development district exists in
2 an area in a participating State in the region, foster
3 the creation of a local development district;

4 “(5) encourage private investment in industrial,
5 commercial, and other economic development
6 projects in its region;

7 “(6) cooperate with and assist State govern-
8 ments with the preparation of economic and infra-
9 structure development plans and programs for par-
10 ticipating States;

11 “(7) formulate and recommend to the Gov-
12 ernors and legislatures of States that participate in
13 the Commission forms of interstate cooperation and,
14 where appropriate, international cooperation; and

15 “(8) work with State and local agencies in de-
16 veloping appropriate model legislation to enhance
17 local and regional economic development.

18 **“§ 15304. Administrative powers and expenses**

19 “(a) POWERS.—In carrying out its duties under this
20 subtitle, a Commission may—

21 “(1) hold such hearings, sit and act at such
22 times and places, take such testimony, receive such
23 evidence, and print or otherwise reproduce and dis-
24 tribute a description of the proceedings and reports

1 on actions by the Commission as the Commission
2 considers appropriate;

3 “(2) authorize, through the Federal or State
4 Cochairperson or any other member of the Commis-
5 sion designated by the Commission, the administra-
6 tion of oaths if the Commission determines that tes-
7 timony should be taken or evidence received under
8 oath;

9 “(3) request from any Federal, State, or local
10 agency such information as may be available to or
11 procurable by the agency that may be of use to the
12 Commission in carrying out the duties of the Com-
13 mission;

14 “(4) adopt, amend, and repeal bylaws and rules
15 governing the conduct of business and the perform-
16 ance of duties by the Commission;

17 “(5) request the head of any Federal agency,
18 State agency, or local government to detail to the
19 Commission such personnel as the Commission re-
20 quires to carry out its duties, each such detail to be
21 without loss of seniority, pay, or other employee sta-
22 tus;

23 “(6) provide for coverage of Commission em-
24 ployees in a suitable retirement and employee benefit
25 system by making arrangements or entering into

1 contracts with any participating State government
2 or otherwise providing retirement and other em-
3 ployee coverage;

4 “(7) accept, use, and dispose of gifts or dona-
5 tions or services or real, personal, tangible, or intan-
6 gible property;

7 “(8) enter into and perform such contracts, co-
8 operative agreements, or other transactions as are
9 necessary to carry out Commission duties, including
10 any contracts or cooperative agreements with a de-
11 partment, agency, or instrumentality of the United
12 States, a State (including a political subdivision,
13 agency, or instrumentality of the State), or a person,
14 firm, association, or corporation; and

15 “(9) maintain a government relations office in
16 the District of Columbia and establish and maintain
17 a central office at such location in its region as the
18 Commission may select.

19 “(b) FEDERAL AGENCY COOPERATION.—A Federal
20 agency shall—

21 “(1) cooperate with a Commission; and

22 “(2) provide, to the extent practicable, on re-
23 quest of the Federal Cochairperson, appropriate as-
24 sistance in carrying out this subtitle, in accordance
25 with applicable Federal laws (including regulations).

1 “(c) ADMINISTRATIVE EXPENSES.—

2 “(1) IN GENERAL.—Subject to paragraph (2),
3 the administrative expenses of a Commission shall
4 be paid—

5 “(A) by the Federal Government, in an
6 amount equal to 50 percent of the administra-
7 tive expenses of the Commission; and

8 “(B) by the States participating in the
9 Commission, in an amount equal to 50 percent
10 of the administrative expenses.

11 “(2) EXPENSES OF THE FEDERAL COCHAIR-
12 PERSON.—All expenses of the Federal Cochair-
13 person, including expenses of the alternate and staff
14 of the Federal Cochairperson, shall be paid by the
15 Federal Government.

16 “(3) STATE SHARE.—

17 “(A) IN GENERAL.—Subject to subpara-
18 graph (B), the share of administrative expenses
19 of a Commission to be paid by each State of the
20 Commission shall be determined by a unani-
21 mous vote of the State members of the Com-
22 mission.

23 “(B) NO FEDERAL PARTICIPATION.—The
24 Federal Cochairperson shall not participate or
25 vote in any decision under subparagraph (A).

1 “(C) DELINQUENT STATES.—During any
2 period in which a State is more than 1 year de-
3 linquent in payment of the State’s share of ad-
4 ministrative expenses of the Commission under
5 this subsection—

6 “(i) no assistance under this subtitle
7 shall be provided to the State (including
8 assistance to a political subdivision or a
9 resident of the State) for any project not
10 approved as of the date of the commence-
11 ment of the delinquency; and

12 “(ii) no member of the Commission
13 from the State shall participate or vote in
14 any action by the Commission.

15 “(4) EFFECT ON ASSISTANCE.—A State’s share
16 of administrative expenses of a Commission under
17 this subsection shall not be taken into consideration
18 when determining the amount of assistance provided
19 to the State under this subtitle.

20 **“§ 15305. Meetings**

21 “(a) INITIAL MEETING.—Each Commission shall
22 hold an initial meeting not later than 180 days after the
23 date of enactment of this section.

24 “(b) ANNUAL MEETING.—Each Commission shall
25 conduct at least 1 meeting each year with the Federal Co-

1 chairperson and at least a majority of the State members
2 present.

3 “(c) **ADDITIONAL MEETINGS.**—Each Commission
4 shall conduct additional meetings at such times as it deter-
5 mines and may conduct such meetings by electronic
6 means.

7 **“§ 15306. Personal financial interests**

8 “(a) **CONFLICTS OF INTEREST.**—

9 “(1) **NO ROLE ALLOWED.**—Except as permitted
10 by paragraph (2), an individual who is a State mem-
11 ber or alternate, or an officer or employee of a Com-
12 mission, shall not participate personally and sub-
13 stantially as a member, alternate, officer, or em-
14 ployee of the Commission, through decision, ap-
15 proval, disapproval, recommendation, request for a
16 ruling, or other determination, contract, claim, con-
17 troversy, or other matter in which, to the individ-
18 ual’s knowledge, any of the following has a financial
19 interest:

20 “(A) The individual.

21 “(B) The individual’s spouse, minor child,
22 or partner.

23 “(C) An organization (except a State or
24 political subdivision of a State) in which the in-

1 dividual is serving as an officer, director, trust-
2 ee, partner, or employee.

3 “(D) Any person or organization with
4 whom the individual is negotiating or has any
5 arrangement concerning prospective employ-
6 ment.

7 “(2) EXCEPTION.—Paragraph (1) shall not
8 apply if the individual, in advance of the proceeding,
9 application, request for a ruling or other determina-
10 tion, contract, claim controversy, or other particular
11 matter presenting a potential conflict of interest—

12 “(A) advises the Commission of the nature
13 and circumstances of the matter presenting the
14 conflict of interest;

15 “(B) makes full disclosure of the financial
16 interest; and

17 “(C) receives a written decision of the
18 Commission that the interest is not so substan-
19 tial as to be considered likely to affect the in-
20 tegrity of the services that the Commission may
21 expect from the individual.

22 “(3) VIOLATION.—An individual violating this
23 subsection shall be fined under title 18, imprisoned
24 for not more than 1 year, or both.

1 “(b) STATE MEMBER OR ALTERNATE.—A State
2 member or alternate member may not receive any salary,
3 or any contribution to, or supplementation of, salary, for
4 services on a Commission from a source other than the
5 State of the member or alternate.

6 “(c) DETAILED EMPLOYEES.—

7 “(1) IN GENERAL.—No person detailed to serve
8 a Commission shall receive any salary, or any con-
9 tribution to, or supplementation of, salary, for serv-
10 ices provided to the Commission from any source
11 other than the State, local, or intergovernmental de-
12 partment or agency from which the person was de-
13 tailed to the Commission.

14 “(2) VIOLATION.—Any person that violates this
15 subsection shall be fined under title 18, imprisoned
16 not more than 1 year, or both.

17 “(d) FEDERAL COCHAIRMAN, ALTERNATE TO FED-
18 ERAL COCHAIRMAN, AND FEDERAL OFFICERS AND EM-
19 PLOYEES.—The Federal Cochairman, the alternate to the
20 Federal Cochairman, and any federal officer or employee
21 detailed to duty with the Commission are not subject to
22 this section but remain subject to sections 202 through
23 209 of title 18.

24 “(e) RESCISSION.—A Commission may declare void
25 any contract, loan, or grant of or by the Commission in

1 relation to which the Commission determines that there
2 has been a violation of any provision under subsection
3 (a)(1), (b), or (c), or any of the provisions of sections 202
4 through 209 of title 18.

5 **“§ 15307. Tribal representation on Northern Great**
6 **Plains Regional Commission**

7 “(a) TRIBAL COCHAIRPERSON.—

8 “(1) APPOINTMENT.—In addition to the mem-
9 bers specified in section 15301(b)(1), the member-
10 ship of the Northern Great Plains Regional Commis-
11 sion shall include a Tribal Cochairperson, to be ap-
12 pointed by the President, by and with the advice and
13 consent of the Senate. The Tribal Cochairperson
14 shall be a member of an Indian tribe in the Commis-
15 sion’s region.

16 “(2) DUTIES.—In addition to the Federal Co-
17 chairperson and State Cochairperson, the Commis-
18 sion shall be headed by the Tribal Cochairperson,
19 who shall serve as a liaison between the governments
20 of Indian tribes in the region and the Commission.

21 “(b) ALTERNATE TRIBAL COCHAIRPERSON.—

22 “(1) APPOINTMENT.—The President shall ap-
23 point an alternate to the Tribal Cochairperson.

24 “(2) DUTIES.—The alternate Tribal Cochair-
25 person, when not actively serving as an alternate for

1 the Tribal Cochairperson, shall perform such func-
2 tions and duties as are delegated by the Tribal Co-
3 chairperson.

4 “(3) VOTING.—The alternate Tribal Cochair-
5 person shall vote in the case of the absence, death,
6 disability, removal, or resignation of the Tribal Co-
7 chairperson.

8 “(c) COMPENSATION.—

9 “(1) TRIBAL COCHAIRPERSON.—The Tribal Co-
10 chairperson shall be compensated by the Federal
11 Government at level III of the Executive Schedule as
12 set out in section 5314 of title 5.

13 “(2) ALTERNATE TRIBAL COCHAIRPERSON.—
14 The Tribal Cochairperson’s alternate shall be com-
15 pensated by the Federal Government at level V of
16 the Executive Schedule as set out in section 5316 of
17 title 5.

18 “(d) EXPENSES OF TRIBAL COCHAIRPERSON.—All
19 expenses of the Tribal Cochairperson, including expenses
20 of the alternate and staff of the Tribal Cochairperson,
21 shall be paid by the Federal Government.

22 “(e) DUTIES AND PRIVILEGES.—Except as provided
23 in subsections (c) and (d), the Tribal Cochairperson shall
24 have the same duties and privileges as the State Cochair-
25 person.

1 **“§ 15308. Tribal participation**

2 “Governments of Indian tribes in the region of the
3 Northern Great Plains Regional Commission or the South-
4 west Border Regional Commission shall be allowed to par-
5 ticipate in matters before that Commission in the same
6 manner and to the same extent as State agencies and in-
7 strumentalities in the region.

8 **“§ 15309. Annual report**

9 “(a) IN GENERAL.—Not later than 90 days after the
10 last day of each fiscal year, each Commission shall submit
11 to the President and Congress a report on the activities
12 carried out by the Commission under this subtitle in the
13 fiscal year.

14 “(b) CONTENTS.—The report shall include—

15 “(1) a description of the criteria used by the
16 Commission to designate counties under section
17 15702 and a list of the counties designated in each
18 category;

19 “(2) an evaluation of the progress of the Com-
20 mission in meeting the goals identified in the Com-
21 mission’s economic and infrastructure development
22 plan under section 15303 and State economic and
23 infrastructure development plans under section
24 15502;

25 “(3) any policy recommendations approved by
26 the Commission.

1 **“CHAPTER 155—FINANCIAL ASSISTANCE**

“Sec.

“15501. Economic and infrastructure development grants.

“15502. Comprehensive economic and infrastructure development plans.

“15503. Approval of applications for assistance.

“15504. Program development criteria.

“15505. Local development districts and organizations.

“15506. Supplements to Federal grant programs.

2 **“§ 15501. Economic and infrastructure development**

3 **grants**

4 “(a) IN GENERAL.—A Commission may make grants
5 to States and local governments, Indian tribes, and public
6 and nonprofit organizations for projects, approved in ac-
7 cordance with section 15503—

8 “(1) to develop the transportation infrastruc-
9 ture of its region;

10 “(2) to develop the basic public infrastructure
11 of its region;

12 “(3) to develop the telecommunications infra-
13 structure of its region;

14 “(4) to assist its region in obtaining job skills
15 training, skills development and employment-related
16 education, entrepreneurship, technology, and busi-
17 ness development;

18 “(5) to provide assistance to severely distressed
19 and underdeveloped areas of its region that lack fi-
20 nancial resources for improving basic health care
21 and other public services; and

1 “(6) to otherwise achieve the purposes of this
2 subtitle.

3 “(b) ALLOCATION OF FUNDS.—A Commission shall
4 allocate at least 50 percent of any grant amounts provided
5 by the Commission in a fiscal year for projects described
6 in paragraphs (1) through (3) of subsection (a).

7 “(c) SOURCES OF GRANTS.—Grant amounts may be
8 provided entirely from appropriations to carry out this
9 subtitle, in combination with amounts available under
10 other Federal grant programs, or from any other source.

11 “(d) MAXIMUM COMMISSION CONTRIBUTIONS.—

12 “(1) IN GENERAL.—Subject to paragraphs (2)
13 and (3), the Commission may contribute not more
14 than 50 percent of a project or activity cost eligible
15 for financial assistance under this section from
16 amounts appropriated to carry out this subtitle.

17 “(2) DISTRESSED COUNTIES.—The maximum
18 Commission contribution for a project or activity to
19 be carried out in a county for which a distressed
20 county designation is in effect under section 15702
21 may be increased to 80 percent.

22 “(3) SPECIAL RULE FOR REGIONAL
23 PROJECTS.—A Commission may increase to 60 per-
24 cent under paragraph (1) and 90 percent under

1 paragraph (2) the maximum Commission contribu-
2 tion for a project or activity if—

3 “(A) the project or activity involves 3 or
4 more counties or more than one State; and

5 “(B) the Commission determines in ac-
6 cordance with section 15302(a) that the project
7 or activity will bring significant interstate or
8 multicounty benefits to a region.

9 “(e) MAINTENANCE OF EFFORT.—Funds may be
10 provided by a Commission for a program or project in a
11 State under this section only if the Commission deter-
12 mines that the level of Federal or State financial assist-
13 ance provided under a law other than this subtitle, for the
14 same type of program or project in the same area of the
15 State within region, will not be reduced as a result of
16 funds made available by this subtitle.

17 “(f) NO RELOCATION ASSISTANCE.—Financial as-
18 sistance authorized by this section may not be used to as-
19 sist a person or entity in relocating from one area to an-
20 other.

21 **“§ 15502. Comprehensive economic and infrastruc-**
22 **ture development plans**

23 “(a) STATE PLANS.—In accordance with policies es-
24 tablished by a Commission, each State member of the
25 Commission shall submit a comprehensive economic and

1 infrastructure development plan for the area of the region
2 represented by the State member.

3 “(b) CONTENT OF PLAN.—A State economic and in-
4 frastructure development plan shall reflect the goals, ob-
5 jectives, and priorities identified in any applicable eco-
6 nomic and infrastructure development plan developed by
7 a Commission under section 15303.

8 “(c) CONSULTATION WITH INTERESTED LOCAL PAR-
9 TIES.—In carrying out the development planning process
10 (including the selection of programs and projects for as-
11 sistance), a State shall—

12 “(1) consult with local development districts,
13 local units of government, and local colleges and uni-
14 versities; and

15 “(2) take into consideration the goals, objec-
16 tives, priorities, and recommendations of the entities
17 described in paragraph (1).

18 “(d) PUBLIC PARTICIPATION.—

19 “(1) IN GENERAL.—A Commission and applica-
20 ble State and local development districts shall en-
21 courage and assist, to the maximum extent prac-
22 ticable, public participation in the development, revi-
23 sion, and implementation of all plans and programs
24 under this subtitle.

1 “(2) GUIDELINES.—A Commission shall de-
2 velop guidelines for providing public participation,
3 including public hearings.

4 **“§ 15503. Approval of applications for assistance**

5 “(a) EVALUATION BY STATE MEMBER.—An applica-
6 tion to a Commission for a grant or any other assistance
7 for a project under this subtitle shall be made through,
8 and evaluated for approval by, the State member of the
9 Commission representing the applicant.

10 “(b) CERTIFICATION.—An application to a Commis-
11 sion for a grant or other assistance for a project under
12 this subtitle shall be eligible for assistance only on certifi-
13 cation by the State member of the Commission rep-
14 resenting the applicant that the application for the
15 project—

16 “(1) describes ways in which the project com-
17 plies with any applicable State economic and infra-
18 structure development plan;

19 “(2) meets applicable criteria under section
20 15504;

21 “(3) adequately ensures that the project will be
22 properly administered, operated, and maintained;
23 and

24 “(4) otherwise meets the requirements for as-
25 sistance under this subtitle.

1 “(c) VOTES FOR DECISIONS.—On certification by a
2 State member of a Commission of an application for a
3 grant or other assistance for a specific project under this
4 section, an affirmative vote of the Commission under sec-
5 tion 15302 shall be required for approval of the applica-
6 tion.

7 **“§ 15504. Program development criteria**

8 “(a) IN GENERAL.—In considering programs and
9 projects to be provided assistance by a Commission under
10 this subtitle, and in establishing a priority ranking of the
11 requests for assistance provided to the Commission, the
12 Commission shall follow procedures that ensure, to the
13 maximum extent practicable, consideration of—

14 “(1) the relationship of the project or class of
15 projects to overall regional development;

16 “(2) the per capita income and poverty and un-
17 employment and outmigration rates in an area;

18 “(3) the financial resources available to the ap-
19 plicants for assistance seeking to carry out the
20 project, with emphasis on ensuring that projects are
21 adequately financed to maximize the probability of
22 successful economic development;

23 “(4) the importance of the project or class of
24 projects in relation to the other projects or classes

1 of projects that may be in competition for the same
2 funds;

3 “(5) the prospects that the project for which as-
4 sistance is sought will improve, on a continuing rath-
5 er than a temporary basis, the opportunities for em-
6 ployment, the average level of income, or the eco-
7 nomic development of the area to be served by the
8 project; and

9 “(6) the extent to which the project design pro-
10 vides for detailed outcome measurements by which
11 grant expenditures and the results of the expendi-
12 tures may be evaluated.

13 **“§ 15505. Local development districts and organiza-**
14 **tions**

15 “(a) GRANTS TO LOCAL DEVELOPMENT DIS-
16 TRICTS.—Subject to the requirements of this section, a
17 Commission may make grants to a local development dis-
18 trict to assist in the payment of development planning and
19 administrative expenses.

20 “(b) CONDITIONS FOR GRANTS.—

21 “(1) MAXIMUM AMOUNT.—The amount of a
22 grant awarded under this section may not exceed 80
23 percent of the administrative and planning expenses
24 of the local development district receiving the grant.

1 “(2) MAXIMUM PERIOD FOR STATE AGEN-
2 CIES.—In the case of a State agency certified as a
3 local development district, a grant may not be
4 awarded to the agency under this section for more
5 than 3 fiscal years.

6 “(3) LOCAL SHARE.—The contributions of a
7 local development district for administrative ex-
8 penses may be in cash or in kind, fairly evaluated,
9 including space, equipment, and services.

10 “(c) DUTIES OF LOCAL DEVELOPMENT DIS-
11 TRICTS.—A local development district shall—

12 “(1) operate as a lead organization serving
13 multicounty areas in the region at the local level;

14 “(2) assist the Commission in carrying out out-
15 reach activities for local governments, community
16 development groups, the business community, and
17 the public;

18 “(3) serve as a liaison between State and local
19 governments, nonprofit organizations (including
20 community-based groups and educational institu-
21 tions), the business community, and citizens; and

22 “(4) assist the individuals and entities described
23 in paragraph (3) in identifying, assessing, and facili-
24 tating projects and programs to promote the eco-
25 nomic development of the region.

1 **“§ 15506. Supplements to Federal grant programs**

2 “(a) FINDING.—Congress finds that certain States
3 and local communities of the region, including local devel-
4 opment districts, may be unable to take maximum advan-
5 tage of Federal grant programs for which the States and
6 communities are eligible because—

7 “(1) they lack the economic resources to pro-
8 vide the required matching share; or

9 “(2) there are insufficient funds available under
10 the applicable Federal law with respect to a project
11 to be carried out in the region.

12 “(b) FEDERAL GRANT PROGRAM FUNDING.—A
13 Commission, with the approval of the Federal Cochair-
14 person, may use amounts made available to carry out this
15 subtitle—

16 “(1) for any part of the basic Federal contribu-
17 tion to projects or activities under the Federal grant
18 programs authorized by Federal laws; and

19 “(2) to increase the Federal contribution to
20 projects and activities under the programs above the
21 fixed maximum part of the cost of the projects or
22 activities otherwise authorized by the applicable law.

23 “(c) CERTIFICATION REQUIRED.—For a program,
24 project, or activity for which any part of the basic Federal
25 contribution to the project or activity under a Federal
26 grant program is proposed to be made under subsection

1 (b), the Federal contribution shall not be made until the
 2 responsible Federal official administering the Federal law
 3 authorizing the Federal contribution certifies that the pro-
 4 gram, project, or activity meets the applicable require-
 5 ments of the Federal law and could be approved for Fed-
 6 eral contribution under that law if amounts were available
 7 under the law for the program, project, or activity.

8 “(d) LIMITATIONS IN OTHER LAWS INAPPLI-
 9 CABLE.—Amounts provided pursuant to this subtitle are
 10 available without regard to any limitations on areas eligi-
 11 ble for assistance or authorizations for appropriation in
 12 any other law.

13 “(e) FEDERAL SHARE.—The Federal share of the
 14 cost of a project or activity receiving assistance under this
 15 section shall not exceed 80 percent.

16 “(f) MAXIMUM COMMISSION CONTRIBUTION.—Sec-
 17 tion 15501(d), relating to limitations on Commission con-
 18 tributions, shall apply to a program, project, or activity
 19 receiving assistance under this section.

20 **“CHAPTER 157—ADMINISTRATIVE**
 21 **PROVISIONS**

“SUBCHAPTER I—GENERAL PROVISIONS

“Sec.

“15701. Consent of States.

“15702. Distressed counties and areas.

“15703. Counties eligible for assistance in more than one region.

“15704. Inspector General; Records.

“15705. Biannual meetings of representatives of all commissions.

“15706. Relationship to other laws.

“SUBCHAPTER II—DESIGNATION OF REGIONS

- “15731. Delta Regional Commission.
 “15732. Northern Great Plains Regional Commission.
 “15733. Southeast Crescent Regional Commission.
 “15734. Southwest Border Regional Commission.

“SUBCHAPTER III—AUTHORIZATION OF APPROPRIATIONS

- “15751. Authorization of appropriations.

“SUBCHAPTER I—GENERAL PROVISIONS

1 **“§ 15701. Consent of States**

2 “This subtitle does not require a State to engage in
 3 or accept a program under this subtitle without its con-
 4 sent.

5 **“§ 15702. Distressed counties and areas**

6 “(a) DESIGNATIONS.—Not later than 90 days after
 7 the date of enactment of this section, and annually there-
 8 after, each Commission shall make the following designa-
 9 tions:

10 “(1) DISTRESSED COUNTIES.—The Commission
 11 shall designate as distressed counties those counties
 12 in its region that are the most severely and persist-
 13 ently distressed and underdeveloped and have high
 14 rates of poverty, unemployment, or outmigration.

15 “(2) TRANSITIONAL COUNTIES.—The Commis-
 16 sion shall designate as transitional counties those
 17 counties in its region that are distressed and under-
 18 developed or have recently suffered high rates of
 19 poverty, unemployment, or outmigration.

1 “(3) ATTAINMENT COUNTIES.—The Commis-
2 sion shall designate as attainment counties, those
3 counties in its region that are not designated as dis-
4 tressed or transitional counties under this sub-
5 section.

6 “(4) ISOLATED AREAS OF DISTRESS.—The
7 Commission shall designate as isolated areas of dis-
8 tress, areas located in counties designated as attain-
9 ment counties under paragraph (3) that have high
10 rates of poverty, unemployment, or outmigration.

11 “(b) ALLOCATION.—A Commission shall allocate at
12 least 50 percent of the appropriations made available to
13 the Commission to carry out this subtitle for programs
14 and projects designed to serve the needs of distressed
15 counties and isolated areas of distress in the region.

16 “(c) ATTAINMENT COUNTIES.—

17 “(1) IN GENERAL.—Except as provided in para-
18 graph (2), funds may not be provided under this
19 subtitle for a project located in a county designated
20 as an attainment county under subsection (a).

21 “(2) EXCEPTIONS.—

22 “(A) ADMINISTRATIVE EXPENSES OF
23 LOCAL DEVELOPMENT DISTRICTS.—The fund-
24 ing prohibition under paragraph (1) shall not
25 apply to grants to fund the administrative ex-

1 penses of local development districts under sec-
2 tion 15505.

3 “(B) MULTICOUNTY AND OTHER
4 PROJECTS.—A Commission may waive the ap-
5 plication of the funding prohibition under para-
6 graph (1) with respect to—

7 “(i) a multicounty project that in-
8 cludes participation by an attainment
9 county; and

10 “(ii) any other type of project, if a
11 Commission determines that the project
12 could bring significant benefits to areas of
13 the region outside an attainment county.

14 “(3) ISOLATED AREAS OF DISTRESS.—For a
15 designation of an isolated area of distress to be ef-
16 fective, the designation shall be supported—

17 “(A) by the most recent Federal data
18 available; or

19 “(B) if no recent Federal data are avail-
20 able, by the most recent data available through
21 the government of the State in which the iso-
22 lated area of distress is located.

1 **“§ 15703. Counties eligible for assistance in more**
2 **than one region**

3 “(a) LIMITATION.—A political subdivision of a State
4 may not receive assistance under this subtitle in a fiscal
5 year from more than one Commission.

6 “(b) SELECTION OF COMMISSION.—A political sub-
7 division included in the region of more than one Commis-
8 sion shall select the Commission with which it will partici-
9 pate by notifying, in writing, the Federal Cochairperson
10 and the appropriate State member of that Commission.

11 “(c) CHANGES IN SELECTIONS.—The selection of a
12 Commission by a political subdivision shall apply in the
13 fiscal year in which the selection is made, and shall apply
14 in each subsequent fiscal year unless the political subdivi-
15 sion, at least 90 days before the first day of the fiscal
16 year, notifies the Cochairpersons of another Commission
17 in writing that the political subdivision will participate in
18 that Commission and also transmits a copy of such notifi-
19 cation to the Cochairpersons of the Commission in which
20 the political subdivision is currently participating.

21 “(d) INCLUSION OF APPALACHIAN REGIONAL COM-
22 MISSION.—In this section, the term ‘Commission’ includes
23 the Appalachian Regional Commission established under
24 chapter 143.

1 **“§ 15704. Inspector General; Records**

2 “(a) APPOINTMENT OF INSPECTOR GENERAL.—

3 There shall be an Inspector General for the Commissions
4 appointed in accordance with section 3(a) of the Inspector
5 General Act of 1978 (5 U.S.C. App.). All of the Commis-
6 sions shall be subject to a single Inspector General.

7 “(b) RECORDS OF A COMMISSION.—

8 “(1) IN GENERAL.—A Commission shall main-
9 tain accurate and complete records of all its trans-
10 actions and activities.

11 “(2) AVAILABILITY.—All records of a Commis-
12 sion shall be available for audit and examination by
13 the Inspector General (including authorized rep-
14 resentatives of the Inspector General).

15 “(c) RECORDS OF RECIPIENTS OF COMMISSION AS-
16 SISTANCE.—

17 “(1) IN GENERAL.—A recipient of funds from
18 a Commission under this subtitle shall maintain ac-
19 curate and complete records of transactions and ac-
20 tivities financed with the funds and report to the
21 Commission on the transactions and activities.

22 “(2) AVAILABILITY.—All records required
23 under paragraph (1) shall be available for audit by
24 the Commission and the Inspector General (includ-
25 ing authorized representatives of the Commission
26 and the Inspector General).

1 “(d) ANNUAL AUDIT.—The Inspector General shall
2 audit the activities, transactions, and records of each
3 Commission on an annual basis.

4 **“§ 15705. Biannual meetings of representatives of all**
5 **commissions**

6 “(a) IN GENERAL.—Representatives of each Com-
7 mission, the Appalachian Regional Commission, and the
8 Denali Commission shall meet biannually to discuss issues
9 confronting regions suffering from chronic and contiguous
10 distress and successful strategies for promoting regional
11 development.

12 “(b) CHAIR OF MEETINGS.—The chair of each meet-
13 ing shall rotate among the Commissions, with the Appa-
14 lachian Regional Commission and the Denali Commission
15 to host the first and second meetings, respectively.

16 **“§ 15706. Relationship to other laws**

17 “Projects receiving assistance under this subtitle
18 shall be treated in the manner provided in section 602 of
19 the Public Works and Economic Development Act of 1965
20 (42 U.S.C. 3212).

21 **“SUBCHAPTER II—DESIGNATION OF REGIONS**

22 **“§ 15731. Delta Regional Commission**

23 “The Delta Regional Commission shall consist of the
24 following political subdivisions:

1 “(1) ALABAMA.—The counties of Barbour, Bul-
2 lock, Butler, Choctaw, Clarke, Conecuh, Dallas,
3 Escambia, Greene, Hale, Lowndes, Macon, Marengo,
4 Monroe, Perry, Pickens, Russell, Sumter, Wash-
5 ington, and Wilcox in the State of Alabama.

6 “(2) ARKANSAS.—The counties of Arkansas,
7 Ashley, Baxter, Bradley, Calhoun, Chicot, Clay,
8 Cleveland, Craighead, Crittenden, Cross, Dallas,
9 Desha, Drew, Fulton, Grant, Greene, Independence,
10 Izard, Jackson, Jefferson, Lawrence, Lee, Lincoln,
11 Lonoke, Marion, Mississippi, Monroe, Ouachita,
12 Phillips, Poinsett, Prairie, Pulaski, Randolph, St.
13 Francis, Searcy, Sharp, Stone, Union, Van Buren,
14 White, and Woodruff in the State of Arkansas.

15 “(3) ILLINOIS.—The counties of Alexander,
16 Franklin, Gallatin, Hamilton, Hardin, Jackson,
17 Johnson, Massac, Perry, Pope, Pulaski, Randolph,
18 Saline, Union, White, and Woodruff in the State of
19 Illinois.

20 “(4) KENTUCKY.—The counties of Ballard,
21 Caldwell, Calloway, Carlisle, Christian, Crittenden,
22 Fulton, Graves, Henderson, Hickman, Hopkins, Liv-
23 ington, Lyon, Marshall, McCracken, McLean, Muh-
24 lenberg, Todd, Trigg, Union, and Webster in the
25 State of Kentucky.

1 “(5) LOUISIANA.—The parishes of Acadia,
2 Allen, Ascension, Assumption, Avoyelles, Caldwell,
3 Catahoula, Concordia, E. Baton Rouge, E. Carroll,
4 E. Feliciana, Evangeline, Franklin, Grant, Iberia,
5 Iberville, Jackson, Jefferson, Lafourche, La Salle,
6 Lincoln, Livingston, Madison, Morehouse,
7 Natchitoches, Orleans, Ouachita, Plaquemines,
8 Pointe Coupee, Rapides, Richland, St. Bernard, St.
9 Charles, St. Helena, St. James, St. John the Baptist,
10 St. Landry, St. Martin, Tangipahoa, Tensas, Union,
11 Washington, W. Baton Rouge, W. Carroll, W.
12 Feliciana, and Winn in the State of Louisiana.

13 “(6) MISSISSIPPI.—The counties of Adams,
14 Amite, Attala, Benton, Bolivar, Carroll, Claiborne,
15 Coahoma, Copiah, Covington, Desoto, Franklin, Gre-
16 nada, Hinds, Holmes, Humphreys, Issaquena, Jef-
17 ferson, Jefferson Davis, Lafayette, Lawrence,
18 Leflore, Lincoln, Madison, Marion, Marshall, Mont-
19 gomery, Panola, Pike, Quitman, Rankin, Sharkey,
20 Simpson, Sunflower, Tallahatchie, Tate, Tippah,
21 Tunica, Union, Walthall, Warren, Washington,
22 Wilkinson, Yalobusha, and Yazoo in the State of
23 Mississippi.

24 “(7) MISSOURI.—The counties Bollinger, But-
25 ler, Cape Girardeau, Carter, Crawford, Dent, Doug-

1 las, Dunklin, Howell, Iron, Madison, Mississippi,
2 New Madrid, Oregon, Ozark, Pemiscott, Perry,
3 Phelps, Reynolds, Ripley, Ste. Genevieve, St. Fran-
4 cois, Scott, Shannon, Stoddard, Texas, Washington,
5 Wayne, and Wright in the State of Missouri.

6 “(8) TENNESSEE.—The counties of Benton,
7 Carroll, Chester, Crockett, Decatur, Dyer, Fayette,
8 Gibson, Hardeman, Hardin, Haywood, Henderson,
9 Henry, Lake, Lauderdale, McNairy, Madison, Obion,
10 Shelby, Tipton, and Weakley in the State of Ten-
11 nessee.

12 **“§ 15732. Northern Great Plains Regional Commis-**
13 **sion**

14 “The Northern Great Plains Regional Commission,
15 shall consist of all counties of the States of Iowa, Min-
16 nesota, Nebraska, North Dakota, and South Dakota.

17 **“§ 15733. Southeast Crescent Regional Commission**

18 “The Southeast Crescent Regional Commission shall
19 consist of all counties of the States of Virginia, North
20 Carolina, South Carolina, Georgia, Alabama, Mississippi,
21 and Florida not already served by the Appalachian Re-
22 gional Commission or the Delta Regional Commission.

23 **“§ 15734. Southwest Border Regional Commission**

24 “The Southwest Border Regional Commission shall
25 consist of the following political subdivisions:

1 “(1) ARIZONA.—The counties of Cochise, Gila,
2 Graham, Greenlee, La Paz, Maricopa, Pima, Pinal,
3 Santa Cruz, and Yuma in the State of Arizona.

4 “(2) CALIFORNIA.—The counties of Imperial,
5 Los Angeles, Orange, Riverside, San Bernardino,
6 San Diego, and Ventura in the State of California.

7 “(3) NEW MEXICO.—The counties of Catron,
8 Chaves, Dona Ana, Eddy, Grant, Hidalgo, Lincoln,
9 Luna, Otero, Sierra, and Socorro in the State of
10 New Mexico.

11 “(4) TEXAS.—The counties of Atascosa,
12 Bandera, Bee, Bexar, Brewster, Brooks, Cameron,
13 Coke, Concho, Crane, Crockett, Culberson, Dimmit,
14 Duval, Ector, Edwards, El Paso, Frio, Gillespie,
15 Glasscock, Hidalgo, Hudspeth, Irion, Jeff Davis,
16 Jim Hogg, Jim Wells, Karnes, Kendall, Kenedy,
17 Kerr, Kimble, Kinney, Kleberg, La Salle, Live Oak,
18 Loving, Mason, Maverick, McMullen, Medina, Men-
19 ard, Midland, Nueces, Pecos, Presidio, Reagan,
20 Real, Reeves, San Patricio, Shleicher, Sutton, Starr,
21 Sterling, Terrell, Tom Green Upton, Uvalde, Val
22 Verde, Ward, Webb, Willacy, Wilson, Winkler, Za-
23 pata, and Zavala in the State of Texas.

1 (b) INSPECTOR GENERAL ACT.—Section 11 of the
2 Inspector General Act of 1978 (5 U.S.C. App.) is amend-
3 ed—

4 (1) in paragraph (1) by striking “or the Presi-
5 dent of the Export-Import Bank;” and inserting
6 “the President of the Export-Import Bank; or the
7 Federal Cochairpersons of the Commissions estab-
8 lished under section 15301 of title 40, United States
9 Code;”; and

10 (2) in paragraph (2) by striking “or the Ex-
11 port-Import Bank,” and inserting “the Export-Im-
12 port Bank, or the Commissions established under
13 section 15301 of title 40, United States Code,”.

14 **SEC. 5. TRANSFERS OF AUTHORITY AND SAVINGS PROVI-**
15 **SIONS.**

16 (a) TRANSFERS OF AUTHORITY.—Subject to the re-
17 quirements of this Act (including the amendments made
18 by this Act)—

19 (1) all of the functions of the Delta Regional
20 Authority are transferred to the Delta Regional
21 Commission; and

22 (2) all of the functions of the Northern Great
23 Plains Regional Authority are transferred to the
24 Northern Great Plains Regional Commission.

1 (b) LEGAL DOCUMENTS.—All orders, determinations,
2 rules, regulations, grants, loans, contracts, and agree-
3 ments—

4 (1) that have been issued, made, granted, or al-
5 lowed to become effective by the Delta Regional Au-
6 thority or the Northern Great Plains Regional Au-
7 thority in the performance of any function that is
8 transferred by this section, and

9 (2) that are in effect on the effective date of
10 such transfer (or become effective after such date
11 pursuant to their terms as in effect on such effective
12 date),

13 shall continue in effect according to their terms until
14 modified, terminated, superseded, set aside, or revoked in
15 accordance with law by an authorized official, a court of
16 competent jurisdiction, or operation of law.

17 (c) TRANSFER OF ASSETS AND PERSONNEL.—

18 (1) DELTA REGIONAL COMMISSION.—There
19 shall be transferred to the Delta Regional Commis-
20 sion such assets, funds, personnel, records, and
21 other property of the Delta Regional Authority relat-
22 ing to the functions of the Authority as the Commis-
23 sion determines appropriate.

24 (2) NORTHERN GREAT PLAINS REGIONAL COM-
25 MISSION.—There shall be transferred to the North-

1 ern Great Plains Regional Commission such assets,
2 funds, personnel, records, and other property of the
3 Northern Great Plains Regional Authority as the
4 Commission determines appropriate.

5 **SEC. 6. EFFECTIVE DATE.**

6 This Act, and the amendments made by this Act,
7 shall take effect on the first day of the first fiscal year
8 beginning after the date of enactment of this Act.

○